

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INQUIRY INTO EMERGING COMPETITION IN THE ELECTRIC INDUSTRY	DOCKET NO. NOI-95-1
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ORDER CLOSING DOCKET

(Issued April 17, 2001)

On September 24, 1995, the Utilities Board (Board) issued an order opening an inquiry to address issues regarding emerging competition in the electric industry. Significant changes have occurred in the electric industry since the inquiry opened. Wholesale electric markets are subject to full-scale competition, and several states have opened up their retail generation markets, including residential customers, to competition. Problems have also arisen, particularly in California, where a number of factors have resulted in rolling blackouts and significant price increases.

Inquiry participants have diligently assisted the Board and its staff in examining the numerous and evolving issues surrounding emerging competition. Among the significant events during 1996 and 1997 were roundtable discussion sessions, the formation of an Advisory Group of interested stakeholder and public interest groups, adoption by the Board of ten principles for the electric utility industry,

town meetings to educate consumers, three comprehensive staff reports, and an action plan.

During 1998, the inquiry focused on customer surveys and a draft of an environmental assessment of electric restructuring. The Board's staff did research and proposed numerous reports, most of which were issued in 1999 and included such subjects as corporate and market structure, reliability, universal service, and customer benefits. In December 1998 a draft legislative proposal was issued to the Advisory Group for comment.

At the same time the inquiry was proceeding, the Board's staff worked extensively with various stakeholder groups over a two-year period to draft restructuring legislation for consideration by the Iowa General Assembly. Restructuring legislation was debated in 2000, but did not pass either chamber. No restructuring legislation has been introduced in this legislative session. The Board's inquiry was commenced to debate and attempt to answer public policy and other questions surrounding emerging electric competition. Because no legislation to restructure Iowa's retail electric markets is currently pending, the inquiry has served its purpose and, therefore, will be closed.

The Board once again extends its gratitude and thanks to Advisory Group members and all other inquiry participants for their contributions to the debate. While consensus was not reached on several issues, all participants worked to ensure that Iowa's future electric industry best serves the needs of its citizens.

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IT IS THEREFORE ORDERED:

Docket No. NOI-95-1 is closed.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Judi K. Cooper
Acting Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 17th day of April, 2001.